

BOUCHERVILLE, QUEBEC--(Marketwired - Feb 24, 2016) - [Strateco Resources Inc.](#) ("Strateco") announced today that it amended its motion to institute proceedings with the Superior Court of Quebec on February 23, 2016 in order to claim \$10 million in punitive damages from the Attorney General of Quebec. This amount is in addition to the \$189,987,663 Strateco claimed from the Quebec government on December 11, 2014 for the loss of its investment in the Matoush project.

New evidence in the case shows that the Quebec government's refusal to grant Strateco the advanced exploration permit needed to develop the Matoush project was based on a political calculation outside the existing legal framework, and that the government made a deliberate decision to sacrifice Strateco and the investment of each of its shareholders, knowing full well that the political decision would effectively put Strateco out of business.

In its amended motion, Strateco submits that the Quebec government thus intentionally and deliberately undermined the right to the peaceful enjoyment and free disposition of Strateco's property protected under Article 6 of the Charter of Human Rights and Freedoms, which justifies the punitive damage claim.

Among other things, Strateco is basing itself on the summary of a meeting of December 18, 2012, which was attended by the Deputy Minister of Sustainable Development, Environment, Wildlife and Parks ("MDDEFP"), Diane Jean, the Assistant Deputy Minister of the MDDEFP, Jacques Dupont, the Secretary General of the Government of Quebec, Jean St-Gelais, and other Deputy Ministers and Associate Deputy Ministers, which sets out the true rationale behind this political calculation:

"[unofficial translation] The Government faces two possible scenarios for the Matoush advanced exploration project, namely to authorized the project subject to certain conditions, or to refuse it. There will be a negative implications regardless of the decision.

Authorization of the Matoush advanced exploration project:

It should be noted that if authorized, the Matoush project will have little impact on the environment. The project would be governed by very strict provisions imposed by the CNSC and the conditions of the certificates of authorization from the provincial and federal government.

Advantages:

- *Strateco would be satisfied and could start the advanced exploration project.*
- *This decision would satisfy the James Bay area elected representatives and a large part of the population.*
- *The project would generate significant economic benefits for the Chibougamau and Mistissini region.*
- *It would send a clear signal that Quebec is serious about developing the North for all. This signal would be good for the mining industry in general.*

Disadvantages:

- *The Cree community of Mistissini and the Grand Council of the Crees would be unhappy and may take legal action to block the project. They may also make representations internationally to show that Quebec does not meet its obligations under the Paix des Braves.*
- *Interest groups like "Québec a meilleure mine" or the Sept-Îles doctors would join forces to criticize the Government's decision. These groups would likely use a media campaign to condemn the project.*
- *The impact of this decision on the Cree communities could lead to systematic opposition to other development projects in Eeyou-Ischtee territory. The use of protest methods such as roadblocks would be likely.*

Refusal of the project

Advantages:

- *This decision would satisfy the Cree communities, who would see it as a signal of respect from the Government. The decision could facilitate future projects in the James Bay area.*
- *This decision would please interest groups opposed to uranium exploration in Quebec.*
- *The refusal of the project could send a clear signal to the effect that the Quebec government is serious about its opposition to nuclear power.*

Disadvantages:

- *A negative decision would jeopardize the survival of Strateco Resources.*
- *Strateco Resources is almost certain to file an action in Superior Court to contest the decision or to claim compensation for the loss of the \$120 million invested in the project to date.*
- *The refusal of this project could send a negative signal to the mining industry.*

- *The refusal of the project could strengthen the power of the Grand Council of the Crees, giving it a de facto veto over the northern projects in Eeyou-Ischtee territory. This would set a potentially harmful precedent for Quebec. Such a situation could affect the rest of Quebec to the extent that other Aboriginal communities could demand similar rights.*

"These revelations are troubling", said Guy Hebert, President and Chief Executive Officer of Strateco. "This clearly demonstrates that, contrary to the position put forward by the government in its defense, this was a political decision."

This news release contains "forward-looking statements" subject to certain risks and uncertainties. There can be no assurance that these statements will prove to be correct. Actual results and future events could differ significantly from those implied by such statements. These risks and uncertainties are discussed in Strateco's annual information form filed with the securities commissions of British Columbia, Alberta, Ontario and Quebec.

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